M/035/002

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Paula H. Doughty
Manager, Environmental Affairs and
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Kennecott

February 27, 2004

Mr. Wayne Hedberg, Permit Supervisor
Minerals Reclamation Program
Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801

Subject: Transmittal of Kennecott Utah Copper Corporation's Reclamation Activities Plan for Permit Number M/035/002

Dear Mr. Hedberg,

Enclosed is a copy of Kennecott Utah Copper Corporation's Reclamation Activities Plan for 2004. Only work that will occur within the boundaries of Permit Number M/035/002 has been included in this report. Reclamation projects that are completed in other areas of the Oquirrh Mountain Range will be described in the individual annual reports for 2004. If you have any questions about this report or would like to visit some of the sites, please call me at 569-7120.

Sincerely,

Paula H. Doughty

Paula Doughty
Manager, Environmental Affairs and
Strategic Resources

Enclosure

KENNECOTT UTAH COPPER CORPORATION
RECLAMATION ACTIVITIES PLAN FOR 2004
PERMIT NUMBER M/035/002

This report summarizes the reclamation activities planned within the boundaries of Permit Number M/035/002. This report is submitted in partial fulfillment of the requirements of the September 28, 1978 Mined Land Reclamation Contract and of the Annual Report of Mining Operations. Individual reclamation projects are described below. Not listed below are interim reclamation projects for dust control on the South Tailings Impoundment, which will occur as needed throughout 2004.

South (Magna) Tailings Impoundment

Location North and northwest of Magna, Utah

Description Since 1996, active surface of the tailings surface has been reduced by a series of step backs called reclamation areas. As tailings disposal was discontinued and the surface was allowed to dry, vegetation efforts began. By the fourth quarter 2002, tailings disposal ceased on the South Impoundment with closure of Reclamation Area 5. In 2004, reclamation activities will continue on those portions of the tailings surface that have dried sufficiently.

Purpose To stabilize the tailings surface, provide fugitive dust and erosion control, minimize infiltration and return the land to a sustainable and stable post-mining (grazing and wildlife habitat) land use.

Activities Perform minor contouring and leveling as required. Crushed limestone will be applied at a rate of approximately 30tons/acre to areas that have or may acidify in the future. Biosolids will be applied at rates of about 7 dry tons/acre to selected areas. A DOGM approved, native annual and perennial seed mix consisting of grasses, legumes, forbs and shrubs will be hydroseeded or drill seeded in areas planned for permanent vegetation. Fertilizer will be applied to all areas that will be planted.

Area[1] Reclamation activities will be performed on a total of 785 acres. Of that, 550 acres will be areas receiving first time seed and 235 acres are areas that require re-seeding. Selected areas will receive limestone and biosolids.

Schedule Spring and fall 2004

Mine Waste Rock Disposal Area

Location Waste rock disposal areas east and northeast of the Bingham Canyon Open Pit

Description Selected surfaces located on the upper and lower Eastside waste rock disposal areas will be reclaimed. The upper areas are at an elevation higher than 6900 feet amsl and are underlain by waste rock with moderately low paste pH (~4.0) and salinities <1000umhos/cm. Prior to fall 2003, the area contained a variety of waste rock surfaces including flat areas and angle of repose slopes up to 100ft high. In fall 2003, slopes were reduced to 2.5:1 or less, contoured into a natural looking landform and ripped. Every effort was made to preserve areas that contained volunteer vegetation.

The lower areas are at an elevation between 5940 and 6340 feet amsl and are underlain with pyritic waste rock with low paste pH between 2.0 and 3.0, so no vegetation work is currently planned for this surface.

Purpose Surfaces will be contoured and vegetated to increase evapotranspiration, reduce infiltration and runoff and establish wildlife habitat.

Activities On the upper Eastside waste rock disposal area, approximately 50 acres will receive limestone, fertilizer and seed in 2004. Crushed limestone will be added at rates between 5 and 10 tons/acre as appropriate. Followed by fertilizer and seed. Although a portion of the area may be eventually covered during the final stages of waste rock disposal, Kennecott will still vegetate this area since it is highly visible to the public and may receive waste rock for up to 20 years.

On the lower Eastside waste rock disposal area (below mine access road) angle of repose slopes will be reduced between 2.5:1 and 3:1, contoured into a natural looking landform and cross-ripped.

Cheat grass covers some limited areas on the reclaimed lower Eastside waste rock sites below the mine access road. In an attempt to prevent the spread of cheat grass and to continue with the program of experimentation in the application of best available technology, a new herbicide called Plateau will be tested in fall 2004.

Area[1] Approximately 120 acres

Schedule Summer and fall 2004

1.Note that these are proposed acreages and may not reflect the actual number of acres reclaimed at years end due to unforeseen weather constraints such as extended cold temperatures, drought or excessive snow and precipitation. Actual acres reclaimed are reported at the end of each year.